

**Federal Crop Insurance Corporation, USDA**

**§457.116**

(b) Upon our request, provide complete copies of your nursery plant inventory wholesale price list for the 12 month period immediately preceding the loss and your marketing records including plant shipping invoices for the same period.

(c) Submit a claim for indemnity to us on our form, not later than 60 days after the earliest of:

- (1) The date of your loss; or
- (2) The end of the insurance period.

**12. Settlement of Claim**

(a) The indemnity will be the amount calculated by us for each unit as follows:

(1) Subtracting field market value B from the lesser of:

- (i) Field market value A; or
- (ii) The highest monthly market value for the unit reported on the nursery plant inventory summary multiplied by .9;

(2) Subtracting the monthly loss deductible (not to exceed the remaining crop year loss deductible) from the product obtained in (1) above; and

(3) Multiplying the result by your share.

(b) Individual insured losses occurring on the same unit during the crop year may be accumulated if each loss is reported and valued by us to satisfy the crop year loss deductible. Paragraph 12.(a)(2) will not apply to any subsequent individual loss determinations when the total amount of accumulated monthly loss deductibles is equal to or greater than the crop year loss deductible. Total indemnities for a unit will not exceed the amount of insurance for the unit.

(c) The value of any insured plant inventory may be determined on the basis of our appraisals conducted after the end of the insurance period.

**13. Late and Prevented Planting**

The late and prevented planting provisions of the Basic Provisions are not applicable.

[60 FR 31378, June 15, 1995, as amended at 62 FR 65169, Dec. 10, 1997; 63 FR 50975, Sept. 24, 1998]

**§457.115 Nursery frost, freeze, and cold damage exclusion option.**

This is not a continuous option. Application for this option must be made on or before the sales closing date for each crop year this Option is to be in effect (see exception in item 2 below).

Insured's Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Contract Number \_\_\_\_\_  
 Identification Number \_\_\_\_\_  
 SSN/EIN \_\_\_\_\_  
 Tax I.D. \_\_\_\_\_  
 Crop Year \_\_\_\_\_

Unit Number \_\_\_\_\_

Hardiness Zone \_\_\_\_\_

For the crop year designated above, the Nursery Crop Provisions (§457.114) are amended in accordance with the following terms and conditions:

1. You must have the Common Crop Insurance Policy Basic Provisions and Nursery Crop Provisions in force.

2. This option must be submitted to us on or before the final date for accepting applications for the crop year in which you wish to insure your nursery plant inventory under this option. If the provisions of paragraph 6.(f)(2) of the Nursery Crop Provisions apply, we may accept this option after the sales closing date, or we may allow additional plants to be added to this option after such date.

3. Executing this option does not reduce the premium rate for nursery crop insurance.

4. All provisions of the Basic Provisions (§457.8) and Nursery Crop Provisions (§457.114) not in conflict with this option are applicable.

5. Upon execution of this option, the following plant varieties will not have frost, freeze, or cold damage coverage on this unit because the mandatory (Risk Group A) or recommended (Risk Group B) over-wintering requirements will not be met.

Scientific name	Common name	Over-wintering requirements to be excluded

Insured's Signature \_\_\_\_\_

Date \_\_\_\_\_

Insurance Company Representative's Signature and Code Number \_\_\_\_\_

Date \_\_\_\_\_

[60 FR 31380, June 15, 1995]

**§457.116 Sugarcane crop insurance provisions.**

The sugarcane crop insurance provisions for the 1999 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

*Sugarcane Crop Provisions*

If a conflict exists among the policy provisions, the order of priority is as follows: (1)

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The Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

### 1. Definitions

*Crop year*—The period within which the insured sugarcane is normally grown and designated by the calendar year in which the harvest of sugarcane normally begins in the county.

*Harvest*—Cutting and removing the mature sugarcane from the field.

*Irrigated practice*—A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated acreage planted to the insured crop.

*Local market price*—The price per pound for raw sugar offered by buyers in the area in which you normally market the sugarcane.

*Plant cane*—The insured crop which grows from seed planted for the crop year.

*Stubble cane*—The insured crop which grows from the stubble of sugarcane that was harvested the previous crop year.

*Sugarcane*—means either plant cane or stubble cane.

### 2. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities

(a) In addition to the requirements of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions (§457.8), you may select only one price election for all the sugarcane in the county insured under this policy.

(b) Instead of reporting your sugarcane production for the previous crop year as required by subsection 3.(c) of the Basic Provisions (§457.8), there is a lag period of one year and you are required to report production from two crop years previously, e.g., 1994 crop year production must be reported by the required date for the 1996 crop year.

### 3. Contract Changes

The contract change date is June 30 preceding the cancellation date (see the provisions of section 4 (Contract Changes) of the Basic Provisions (§457.8)).

### 4. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions (§457.8), the cancellation and termination dates are September 30.

### 5. Insured Crop

In accordance with section 8 (Insured Crop) of the Basic Provisions (§457.8), the crop insured will be all the sugarcane in the county

for which a premium rate is provided by the actuarial documents:

- (a) In which you have a share;
- (b) That is grown for processing for sugar or for seed; and
- (c) That is not interplanted with another crop, unless a written agreement allows otherwise.

### 6. Insurable Acreage

Paragraph 9.(a)(3) of the Basic Provisions (§457.8) is not applicable to the Sugarcane Crop Provisions.

### 7. Insurance Period

(a) In addition to the provisions of section 11 (Insurance Period) of the Basic Provisions (§457.8), insurance attaches:

- (1) At the time of planting for plant cane unless we agree in writing to a later date;
- (2) On the first day following harvest of the previous crop for stubble cane except as set out in paragraph 7(a)(3);
- (3) On the later of April 15 or 30 days following harvest of the previous crop for stubble cane:
  - (i) Damaged during the previous crop year in all states (includes Louisiana); and
  - (ii) In Louisiana, after the second harvest from stubble cane.
- (b) In accordance with the provisions of section 11 (Insurance Period) of the Basic Provisions (§457.8) the calendar date for the end of the insurance period is:
  - (1) January 31 in Louisiana; and
  - (2) April 30 in all other states.

### 8. Causes of Loss

In accordance with the provisions of section 12 (Causes of Loss) of the Basic Provisions (§457.8), insurance is provided only against the following causes of loss that occur within the insurance period:

- (a) Adverse weather conditions;
- (b) Fire;
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (e) Wildlife;
- (f) Earthquake;
- (g) Volcanic eruption; or
- (h) Failure of the irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.

### 9. Duties in the Event of Damage or Loss or Cutting the Sugarcane for Seed

(a) In addition to your duties under section 14 (Duties in the Event of Damage or Loss) of the Basic Provisions (§457.8), in the event of damage or loss:

- (1) All sugarcane stubble must remain intact for our inspection; and

(2) You must give us notice at least 15 days before you begin cutting any sugarcane for seed. Your notice must include the unit number and the number of acres you intend to harvest as seed. After we receive such notice we will appraise the sugarcane for its sugar potential. If you do not give us this notice, the production to count for such acreage will be your approved yield.

(b) In accordance with the requirements of section 14 (Duties in the Event of Damage or Loss) of the Basic Provisions (§457.8), if you initially discover damage to any insured crop within 15 days of, or during harvest, you must leave representative samples of the unharvested crop for our inspection. The representative samples of the unharvested crop must be at least 10 feet wide and extend the entire length of each field in the unit. The stubble must not be destroyed and the required samples must not be harvested until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed.

#### 10. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide records of production:

(1) For any optional unit, we will combine all optional units for which acceptable records of production were not provided; or

(2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.

(b) In the event of loss or damage covered by this policy, we will settle your claim on any unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting from this the total production to count;

(3) Multiplying the remainder by your price election; and

(4) Multiplying this result by your share.

(c) The total production (pounds of sugar) to count from all insurable acreage on the unit will include:

(1) All appraised production as follows:

(i) Not less than the production guarantee for acreage:

(A) That is abandoned;

(B) Put to another use without our consent;

(C) Damaged solely by uninsured causes;

(D) For which you fail to provide records of production that are acceptable to us; or

(E) On which the sugarcane stubble is destroyed within 15 days after harvest is completed without our consent;

(ii) Production lost due to uninsured causes;

(iii) Unharvested production;

(iv) The difference between the production guarantee and the appraised production for acreage that has an inadequate stand. An ap-

praisal for an inadequate stand will be made if the product of the number of stalks per acre multiplied by two and further multiplied by the percentage of sugar contained in the Special Provisions for this purpose does not equal the per-acre production guarantee; and

(v) Potential production on insured acreage harvested for seed (see paragraph 9(a)(2));

(vi) Potential production on insured acreage you want to put to another use or you wish to abandon and no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end if you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count.); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested production from insurable acreage. Final records of sugar production will be used to determine the amount of production to count. Preliminary mill estimates will not be used.

(d) Harvested sugarcane may be adjusted for low quality if it is damaged by one or more freezes occurring within the insurance period to the extent that it cannot be processed for sugar by the boiling house operation. The amount of production to count for such sugarcane will be determined by dividing the dollar value of the damaged production by the local market price per pound for raw sugar. The prices used for this adjustment will be determined on the earlier of the date such quality-adjusted production is sold or the date of final inspection for the unit.

#### 11. Late and Prevented Planting

The late and prevented planting provisions of the Basic Provisions are not applicable.

[60 FR 25602, May 12, 1995, as amended at 62 FR 65169, Dec. 10, 1997]